

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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Federal Communications Commission
Office of the Secretary

In the Matter of)
)
Qwest Corporation)
)
and)
)
Sacred Wind Communications, Inc.)
)
Application for Consent to)
Sale of Assets under Section 214)
of the Communications Act of 1934,)
as Amended)

File No. _____

JOINT APPLICATION FOR CONSENT
TO SALE OF ASSETS

By this Application and pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), and Part 63 of the Commission's rules, Qwest Corporation ("Qwest") and Sacred Wind Communications, Inc. ("Sacred Wind"), hereby seek consent to the sale from Qwest to Sacred Wind of selected assets used in the provision of domestic telecommunications services.

A. INFORMATION REGARDING THE APPLICANTS AND THE TRANSACTION.

The following information is provided pursuant to Sections 63.04 and 63.18 of the Commission's rules, 47 C.F.R. §§ 63.04, 63.18.

1. Name, Address and Telephone Number of Each Applicant

Qwest:

Qwest Corporation
1801 California Street
Suite 1000
Denver, CO, 80202
Phone: 303-383-6649
Fax: 303-896-1107

Sacred Wind:

Sacred Wind Communications, Inc.
1850 Old Pecos Trail, Suite J
Santa Fe, NM 87505
Phone: 505-982-6764
Fax: 505-982-0357

2. Law Under which Each Applicant is Organized

Qwest is a Colorado corporation. Sacred Wind is a New Mexico corporation.

3. Designated Contacts

Copies of all correspondence, notices, inquiries and orders should be sent to the following:

For Qwest:

Craig Brown
Daphne Butler
Qwest Corporation
1801 California Street
Suite 1000
Denver, CO 80202
Phone: 303-383-6649
Fax: 303-896-1107

For Sacred Wind:

Martin L. Stern
Megan H. Troy
Preston Gates Ellis
& Rouvelas Meeds LLP
1735 New York Avenue, N.W.
Suite 500
Washington, D.C. 20006
Phone: 202-628-1700
Fax: 202-331-1024

4. Direct and Indirect Owners of 10 Percent or More of the Equity of the Applicants

For Qwest:

Philip F. Anschutz, Director
555 Seventeenth Street
Denver, CO 80202
16.1%

For Sacred Wind:

Gil Arviso, President
PO Box 2017
Navajo Nation
Window Rock, AZ 86515
12.5%

Investment Adviser Subsidiaries
of Legg Mason, Inc.
100 Light Street
Baltimore, MD 21202
13.8%

John W. Badal, CEO and
Adriana Badal
9308 Palm Beach, NE
Albuquerque, NM 87111
15.5%

Capital Research and
Management Company
333 South Hope Street
Los Angeles, CA 90071
15.1%

Walter Maki
1850 Old Pecos Trail, Suite J
Santa Fe, NM 87505
16.25%

FMR Corp.
82 Devonshire Street
Boston, MA 02109
13.3%

Richard & Margaret Story
30 Apache Creek
Santa Fe, NM 87505
11.66%

5. Certification Pursuant to 47 C.F.R. 1.2001 through 1.2003

The required certifications of Qwest and Sacred Wind are attached hereto.

6. Description of the Transaction

Qwest and Sacred Wind entered into an Agreement for Purchase and Sale of Telephone Assets (the "Agreement") as of October 6, 2005.¹ Pursuant to the Agreement, Sacred Wind agreed to acquire, among other things, certain of the assets of Qwest used in connection with the provision of wireline telecommunications services within the State of New Mexico in a service area largely defined by the geographic boundaries of those portions of the Navajo Nation

¹ A redacted copy of the Agreement will be made available to Commission staff upon request.

Reservation within the State of New Mexico and the adjacent near-Reservation Tribal lands.

This territory comprises Sacred Wind's service area (the "Sacred Wind Service Area"), as determined by the New Mexico Public Regulation Commission in its order authorizing Sacred Wind to provide service.² These assets include limited network facilities, including access lines, and customer contracts. No switching equipment or central office equipment are included as part of the Agreement. Sacred Wind will also assume certain liabilities. Upon receipt of required regulatory approvals, Sacred Wind will assume responsibility for the provision of telecommunications services to approximately 2,300 Qwest customers on Reservation and near-Reservation tribal lands in the State of New Mexico.³

The consideration to be paid by Sacred Wind in exchange for the Qwest assets will be in the form of a purchase price less an adjustment for network expansion necessary to accommodate certain customers whose service orders are currently being held or are pending. The adjusted purchase price is a negative number. Accordingly, Qwest will issue to Sacred Wind a credit for future purchase by Sacred Wind of certain services offered by Qwest. The credit will expire five years from the closing date.

Sacred Wind and Qwest will, pursuant to applicable Federal and state requirements, certify that they have notified all affected customers in writing of the proposed transfer. A copy of a form of customer notice is attached hereto as Exhibit A.

² *Matter of the Application of Sacred Wind Communications, Inc. for Certificates of Financial and Technical Competency, Operating Authority, Public Convenience And Necessity and for Designation as an Eligible Telecommunications Carrier and Approval of Initial Tariffs*, Case No. 05-00272, Final Order (New Mexico Public Regulation Commission, Mar. 21, 2006).

³ Sacred Wind's certificated service area wholly includes seven Chapters and portions of an additional twenty-two Chapters, the local governing structure within the Navajo Nation. Currently, there are a total of 110 Chapters officially recognized by the Navajo Nation.

7. Geographic Information

Qwest offers wireline telecommunications services throughout its 14-state region (Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming). As stated above, this transaction affects only certain areas within the state of New Mexico, specifically the Sacred Wind Service Area.

Sacred Wind currently does not offer any telecommunications services.

8. Streamlining

The streamlined procedures of Section 63.03 of the Commission's rules shall be presumed to apply for two reasons: (1) Sacred Wind, the transferee, is not currently a telecommunications provider, and (2) the proposed transaction involves only the transfer of the local exchange assets of an incumbent LEC by means other than an acquisition of corporate control.

9. Other Related Commission Applications

Concurrently with the filing of this application, the parties are filing a Joint Petition for Expedited Waiver. See Sacred Wind Communications, Inc. and Qwest Corporation, Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Appendix Glossary of the Commission's Rules; Sacred Wind Communications, Inc., Related Waivers of Parts 36, 54 and 69 of the Commission's Rules (filed Mar. 30, 2006).

10. Special Consideration

The applicants are not requesting special consideration due to imminent business failure.

11. Separately Filed Waiver Requests

See paragraph 9, *supra*.

12. *Public Interest Statement*

As a result of this transaction, and Sacred Wind's construction of a new Fixed Wireless Local Loop Network in its Service Area, the Commission can expect to see greater penetration of basic local exchange service on the Navajo Reservation and near-Reservation, Tribal lands, which is currently an under-served area. Moreover, the sale will provide direct benefits to the Navajo Nation by increasing local exchange service and advanced services capability to additional members of the Nation. Further, the sale will provide economic development opportunities to Native American communities by expanding access to basic and advanced telecommunications services where none exist today.

B. CONCLUSION

Accordingly, for all the reasons stated herein, this Application should be granted promptly.

Respectfully submitted,

QWEST CORPORATION

**SACRED WIND
COMMUNICATIONS, INC.**

By: *Craig J. Brown*

Craig J. Brown
Corporate Counsel
Qwest Corporation
1801 California Street
Suite 1000
Denver, CO 80202
Phone: 303-383-6649
Fax: 303-896-1107

By: _____

John W. Badal
Chief Executive Officer
Sacred Wind Communications, Inc.
1850 Old Pecos Trail, Suite J
Santa Fe, NM 87505
Phone: 505-982-6764
Fax: 505-982-0357

Dated: March 30, 2006

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Fax: 505-982-0357

Dated: March 30, 2006


David J. Heller


John W. Badal



[DATE]

**Your Telephone Service Provider Will Change and
Your Account Will Be Transferred To Sacred Wind Communications**

[NAME]

[ADDRESS]

[CITY ST ZIP]

Dear [NAME]:

Sacred Wind Communications, Inc. ("Sacred Wind") has recently entered into an Asset Purchase Agreement with Qwest Corporation ("Qwest") to acquire telecommunications assets from Qwest located on Navajo lands in the State of New Mexico, including the portion of its telecommunications facilities serving your residence or business.

Beginning on or after August 1, 2006, Sacred Wind will provide the same telecommunications and related services that are currently provided to you by Qwest. The following overview outlines how your services will be transitioned from Qwest to Sacred Wind. **There will be no interruption to your current telecommunications services.**

About Sacred Wind

Sacred Wind was established in 2004 as a locally owned and operated telephone company to provide telecommunications services to the Navajo people on Reservation and near-Reservation lands, initially in New Mexico. On March 21, 2006, Sacred Wind was authorized by the New Mexico Public Regulation Commission ("NMPRC") to provide local telecommunications services in New Mexico, including in your area. Sacred Wind will be building a new, advanced network and integrating the facilities acquired from Qwest, which will provide you and your neighbors with access to advanced services and technologies.

Seamless Transfer of Services

As your new service provider, Sacred Wind will continue to provide you with the same telecommunications services and other services you currently receive in

accordance with applicable state, tribal, and federal tariffs and laws. Any future changes to the services to be provided to you will be made in accordance with applicable state, tribal, and federal tariffs and law. The current rates you pay to Qwest will not increase without proper approval by NMPRC and notice to you. Please be assured that you will not incur any charge related to the transfer of your telephone account to Sacred Wind. Notice of this change in service providers has been filed with the Navajo Nation, the NMPRC, and the Federal Communications Commission, and will cause you no disruption.

Who to Contact with Questions

While Sacred Wind hopes that you will choose to remain with it following the transfer and for many years to come, you do have the right to select another carrier for your services, to the extent one is available. Until the date of the transfer, any questions you may have regarding your current services can be addressed by calling the Qwest customer service department (1-800-XXX-XXXX for residential customers; 1 800-XXX-XXXX for business customers). You may also contact Sacred Wind's customer service department to learn more about Sacred Wind and its service offerings prior to the transfer by calling 1-800-XXX-XXXX. Any service orders or complaints you may have prior to the transfer should be addressed to Qwest. Any service orders or complaints you may have during or after the transfer should be directed to Sacred Wind.

Customer Account, Billing and Payment

Your customer account information (such as billing, contact and payment information, and credit and payment history) has been provided to Sacred Wind to help in your transition. Effective on or after August 1, 2006, Sacred Wind will assume all of the rights and responsibilities of Qwest under your existing account and your relationship with Qwest will be transferred to Sacred Wind. Sacred Wind will provide additional information in the coming weeks relating to changes in billing addresses, customer support numbers, and other contact information. In the meantime, please continue to pay Qwest in your normal timely manner until further notice in order to avoid disruption of service.

It has been Qwest's pleasure to provide you with quality telecommunications services. You are a valued customer and will be treated as such by Sacred Wind, who looks forward to serving you and appreciates your business.

Sincerely,

Stephanie A. Copeland
Qwest Vice President, Marketing

Gil Arviso
President, Sacred Wind Communications, Inc.